

BACKGROUND DUTCH CABINET FALL

- I. Dutch cabinet resignation solely on domestic issue:
 - A. Catholic-Labor coalition resigned following defeat of controversial rent increase bill.
 - B. Bill (sponsored by Catholics, approved by cabinet but opposed by Labor Party members of Parliament) provides for average 10% increase in rents on part of Dutch rental housing built pre-war.
 1. Labor opposed on grounds possible opening wedge to general hike of government-controlled rents.
- II. Some attempt may be made to reshuffle cabinet posts or form new coalition.
 - A. However, friction among coalition partners has been on increase during past year.
 - B. Thus, new elections may be called.

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or both chambers, with elections following in 40 days.

- D. Cabinet (which includes Catholic People's and Labor Parties, Christian Historical Union and Anti-Revolutionary Party) would continue as a caretaker until elections.

III. New elections would be unlikely to affect present Dutch political alignment:

- A. Catholic and Labor parties (chief coalition members), nearly equal in parliamentary strength.
- B. Voting is by proportional representation and preferences of Dutch electorate basically constant.

IV. If elections held, formation of new government might be long-drawn-out procedure (as was case following '52 general elections):

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A. Premier Drees, a good compromiser

and respected by all parties, may
wish to retire from active political
life.

B. Election campaign likely to raise
sore issue of religion in politics,
thus make post-election cooperation
between two major parties more
difficult.

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NSC BRIEFING

1st May 1955

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BACKGROUND--DUTCH POLITICAL PARTIES

<u>Party</u>	<u>Seats in Second Chamber</u>	<u>Seats in First Chamber</u>	<u>% Popular Vote**</u>
Catholic People's*	30	17	28.67
Labor*	30	14	28.97
Anti- Revolutionary*	12	7	11.31
Christian His- torical Union*	9	6	8.92
Freedom and Democracy	9	4	8.83
Communist	6	2	6.16
Catholic National	2	-	2.71
Political Reformed	2	-	2.42

* Parties in Cabinet

** Based on June 1952 elections for Second Chamber

NOTE: Remaining 2.01 of Popular Vote is split

between five splinter parties, none of

which won enough votes to elect a deputy.

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